

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Moab Field Office 82 East Dogwood Moab, Utah 84532 http://www.blm.gov/ut/st/en/fo/moab.html



In Reply Refer To: 3809 (UTY-012) UTU-72499 OCT 0 7 2014

CERTIFIED MAIL NO. 7012 3460 0002 5528 4128 RETURN RECEIPT REQUESTED

Lisbon Valley Mining Company LLC Attn: Mr. Lantz Indergard PO Box 248 La Sal, Utah 84532 OCT 09 2014
DIV. OF OIL, GAS & MINING

PLAN OF OPERATIONS MODIFICATION LISBON VALLEY COPPER MINE PLAN OF OPERATIONS UTU-72499 ENVIRONMENTAL IMPACT STATEMENT REQUIRED

Dear Mr. Indergard:

The *Plan of Operations* for the Lisbon Valley Copper Mine was approved by the Bureau of Land Management (BLM) in a *Record of Decision* dated March 26, 1997. In accordance with 43 CFR 3809.430, the Lisbon Valley Mining Company LLC (LVMC) submitted a plan modification to the BLM on October 30, 2012. The plan modification, titled *Final Backfill Evaluation for the Centennial Pit at the Lisbon Valley Mine*, presented four scenarios associated with backfilling the Centennial Pit at the Lisbon Valley Copper Mine along with a preliminary evaluation of potential groundwater impact(s) that may result through implementation of the proposed action.

In accordance with 43 CFR 3809.411(a)(2), the BLM has been working with the LVMC in an attempt to create a technically adequate plan modification that meets the content requirements found at 43 CFR 3809.401(b) (information required to demonstrate prevention of undue and unnecessary degradation) and the performance standards found at 43 CFR 3809.420, specifically those related to mining wastes, reclamation, and treatment of acid-forming, toxic, or deleterious materials.

The LVMC completed the scope of work presented in the January 2014 Workplan for Additional Geochemical Testing of Lisbon Valley Mine Waste Rock. The results of the additional testing were included in LVMC's revised plan modification titled Lisbon Valley Mine Updated Centennial Pit Backfill Evaluation received on March 28, 2014. We have completed our review of LVMC's revised plan modification. The BLM, in consultation with geochemists, hydrologists, and other specialists with the U.S. Geological Survey, the Utah Division of Water Quality, and the Utah Division of Oil, Gas and Mining, have reviewed and discussed the

proposal and have been unable to come to an agreement on potential groundwater impacts, and impacts to other parts of the operation such as selective waste rock handling and final reclamation. Through the technical review process associated with evaluating the proposed plan modification, the BLM Authorized Officer has determined that the proposed action will require preparation of an Environmental Impact Statement (EIS) due to scientific controversy and uncertainty of impacts.

In order for the BLM to continue processing the proposed plan modification, including the preparation of an EIS, LVMC must establish a cost recovery account in accordance with regulations found at 43 CFR 3000.11. At your request, the BLM will provide a written estimate of reasonable processing costs after we consider the Federal Land Policy and Management Act, Section 304(b) factors.

The BLM understands that LVMC is considering a plan modification to expand one or more of the currently approved waste rock dumps at the facility. If LVMC wishes to pursue the waste rock dump expansion(s), the request should be incorporated into the backfill plan modification proposal.

If you have any questions, please contact Lisa Bryant at the above address or by phone at (435) 259-2150.

Sincerely,

/s/ Beth Ransel

Beth Ransel Field Manager Moab Field Office

cc: Utah State Office (UT-920)

Utah Department of Environmental Quality Division of Water Quality Attn: Mr. Don Hall, P.G. PO Box 144870 Salt Lake City, Utah 84114

Utah Department of Natural Resources Division of Oil, Gas and Mining Attn: Mr. Mike Bradley 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84116